

# Office of the State Controller

February 25, 2015



## BEACON Special Fund

- > Exists due to BEACON project being delivered on time and under budget in April 2008 with \$10.4 Million unexpended
- > Funds have been used for ongoing General Fund operations and maintenance, system upgrades and enhancements
- > Remaining \$3.3 million balance encumbered for hardware refresh and contractor support

## BEACON Recurring General Fund Gap

- > \$608 thousand was submitted as a non-recurring reduction in a prior fiscal year but taken as recurring reduction beginning FY 2013-2014
- > \$114 thousand restored by General Assembly in FY 2014-2015
- > \$494 thousand shortage remains in recurring appropriations
- > Restoration of \$494 thousand essential for recurring operations and maintenance

## Flex Benefits Fund Status

- > Exists due to FICA payroll tax savings created by employee participation in the pre-tax NCFlex program
- > OSC as the central manager of statewide funds and manager of statewide payroll only serves as custodian of this account
- > OSC transfers funds to the OSHR operational fund for administration of benefit plans (NCFlex)
- > \$12.4 million projected annual 2014-2015 balance

## Overpayments Audit and Recovery Program

- > Exists due to 1999 NCGS §147-86.22(c) for third party contractual agreement to perform audits and collect inadvertent overpayments to vendors
- > Overpayments due to pricing errors, neglected rebates or discounts, miscalculated freight, unclaimed refunds and related errors
- > S. L. 2013-360, XXIX, 29.1.(b) directs \$500,000 to be used by OSC for data processing, debt collection and e-commerce costs each year during 2013-2015
- > \$36.3 thousand current balance